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Further declines in production and prices in recent weeks indicate that demand for farm products has weakened some. However, it still is high.

Industry produced about 3 percent less in March than in February, after allowing for seasonal changes; the decline continued in early April. Seasonal increases pushed April civilian employment up about 200,000 from March but the total was 500,000 below April 1948. All of the gain over March was in agriculture. Nonfarm employment was down 300,000 from March and 900,000 from a year earlier.

After recovering from the sharp drop of February, wholesale prices again turned down early in March. By the third week of April, the BLS index was 8 percent below last summer's peak. Wholesale prices for food and farm products have made the largest drops; textile and leather products also are down substantially. In recent months, metals, building materials and fuel and lighting materials have weakened. Shortages of these products have been acute until recently.

Farmers' prices averaged slightly lower in April than in March. If growing conditions continue favorable, further declines are likely as marketings of livestock and dairy products turn upward seasonally.

The index of prices paid by farmers continues stable. In April, it was less than two percent below a year earlier.

Cash receipts from farmers' marketings for the first four months of 1949 totaled a little less than last year. Quantity of products marketed was up but prices were down.

FARM REAL ESTATE The first drop in 10 years was made by the index of farm real estate values from November 1948 to March 1949. On March 1, the index was off 1 percent from November, but was still 3 percent above March 1948. Increase during past year was less than half that from March 1947 to March 1948.

Land values continued upward in half the States, but the gains were more than offset by declines in 16 States, most of which were in the western third of the country. Values were unchanged in 8 States.

Volume of voluntary sales from March 1948 to March 1949 was 17 percent below the previous year; nearly a third below the peak for the year ending March 1947.

LIVESTOCK AND MEATS As farmers increase livestock marketings this spring and summer, prices of meat animals are likely to drop more than usual. The increase in mid-summer when marketings will decline, is likely to be less than usual; considerably less than the sharp advance of last summer.

DAIRY PRODUCTS Through the flush production season, farmers will continue to get about the same prices for butterfat and milk for other manufactured dairy products they got in April. Further declines in prices of milk for fluid use are likely. In April, retail prices of fluid milk delivered to homes in 24 cities averaged about $1\frac{1}{2}$ cents below the September peak of 21.6 cents.

Milk production in the first quarter of 1949 was up 3.5 percent from a year earlier. About 12 percent more milk was used in manufactured dairy products than in the first 3 months of last year.

POULTRY AND EGGS With Lent bolstering consumer demand and the Government buying large quantities for price support, prices farmers received for eggs in April averaged slightly higher than in March but a little below April 1948. Farm egg production continues slightly above last year.

Price increases for most kinds of poultry are not likely since adequate supplies of red meat and poultry are in prospect.

FATS AND OILS The index of 26 major fats and oils (butter excluded) was 165 for April, down 9 points from the March average.

Output of animal fats during the rest of 1949 is likely to be larger than a year earlier. Production of domestic vegetable oils in the first half of 1949 is large. Farmers' plans as of March 1 indicated large acreages of soybeans and flaxseed again this year.

FEEDS Prices of most feeds rose in March and April but still were much lower than last year. Prices of feed grains probably will continue below support levels this summer.

Stock of corn, oats and barley on April 1 totaled much larger than in any other year; were 89 percent larger than on April 1, 1948. Carryover of feed grains into 1949-50 is expected to be the largest on record.

WHEAT Cash wheat prices are expected to remain near current levels until about harvest time; then decline to a low in July or August.

A 300 to 325 million bushel carryover is likely on July 1. Total supply for 1948-49 was 1,484 million bushels. Disappearance is expected to total 1,170 million bushels, including exports of 500 million.

Wheat acreage in Europe this year is likely to be below 1948; yields per acre are also not likely to be as high since the weather is reported to be much less favorable.

FRUITS AND VEGETABLES Supplies of apples, pears, grapefruit, oranges and lemons are considerably smaller than a year earlier. Prices in May and June probably will be near April levels.

The strawberry harvest in May and June probably will be above last year. Holdings of frozen strawberries on April 1 were about twice those of a year earlier. Prices for May and June probably will average below those of the same months of 1948.

Marketings of new potatoes from California will be later than usual. Prices of new potatoes probably will fall more rapidly than usual after California shipments begin in volume.

The 1949 sweetpotato acreage will be the smallest since 1886 if farmers carry out their planting intentions of March. Prices are moderately higher than a year earlier.

Main reasons for reductions of sweetpotato acreage in recent years: The lack of a good marketing system for sweetpotatoes in most areas; heavy labor requirements; and difficulty in sweetpotato weevil control.

Fresh vegetables in May and June probably will bring farmers' prices slightly lower than last year. Commercial production is expected to total about the same as in 1948.

Demand for vegetables for canning and freezing is expected to continue strong this year.

Large stocks of dry edible beans and peas are expected to be in government hands at the end of the current marketing season. Farmers' intentions of March 1 indicated acreage of beans this year may be down 7 percent from 1948; but that of peas may be almost a third larger.

COTTON Spot cotton prices hit the highest levels of the season in mid-April. The 10-market average price for middling 15/16" on April 13 was about $\frac{1}{2}$ cent higher than the average for the previous 4 months.

In mid-April, prices received by farmers for cotton averaged 29.91 cents per pound. This was 98 percent of parity, compared with 110 percent a year earlier.

Cotton exports have been running double 1947-48 and are expected to exceed 4 million bales this season. On the other hand, domestic mill consumption has been at the lowest level since the beginning of the war; may not top 8 million bales for the season.

TOBACCO Demand for Maryland tobacco is expected to be fairly strong when auctions begin May 10. Total supplies are 82 million pounds, slightly less than a year ago but above any other year.

In the first two months of 1949 exports of unmanufactured tobacco totaled 83 million pounds compared with 57 million pounds a year earlier.

SUGAR Gross income from sugar beets in 1948 is estimated to be down 32 percent from 1947. Both production and prices were lower. Gross income from sugar cane was estimated to be about the same in both years.

